

## AMENDMENTS TO THE CLAIMS:

This listing of claims will replace all prior versions, and listings, of claims in the application.

### Listing Of Claims:

1. (Currently Amended) A method implemented by a programmed computer system for characterizing earnings of an entity, ~~which method comprises the steps of comprising:~~

obtaining, at the computer system, data associated with the entity including a number of common shares outstanding, a value of earnings, a value of dividends per share, a value of coupon payments, and a change in the effective number of common shares outstanding, which change in the effective number of common shares outstanding reflects the possibility, based upon an economically reasonable analysis in light of market conditions including a value of a stock price associated with the entity, of conversion of a convertible security;

iteratively calculating, with the computer system, a plurality of values of earnings per share associated with the entity based upon the obtained data and by iteratively changing the value of the stock price associated with the entity, wherein each value of earnings per share is calculated at least in part using the formula:

$$EPS = DPS_0 + \frac{Earnings_0 - N_o \times DPS_0 - Coupon}{N_o + \Delta N_{eff}},$$

wherein:

- i) Earnings<sub>0</sub> equals the obtained value of earnings,
- ii) N<sub>o</sub> equals the obtained number of common shares outstanding,
- iii) DPS<sub>0</sub> equals the obtained value of dividends per share,
- iv) Coupon equals the obtained value of coupon payments, and
- v) ΔN<sub>eff</sub> equals the obtained change in the effective number of common shares outstanding, based at least in part upon each iteratively changed value of the stock price associated with the entity,

iteratively calculating, with the computer system, a plurality of values of earnings

per share risk associated with the entity, wherein the values of earnings per share risk are based upon at least a plurality of different numbers of shares outstanding and an amount of earnings volatility; and

recording, with the computer system, the calculated earnings per share values associated with the entity and the calculated earnings per share risk values associated with the entity; and

outputting, with the computer system, the recorded calculated earnings per share values associated with the entity and the recorded calculated earnings per share risk values associated with the entity.

2. (Cancelled)

3. (Original) The method of claim 1, wherein the entity is a public corporation.

4. (Original) The method of claim 3, wherein at least one of the calculated earnings per share values and the calculated earnings per share risk values is applied to a financial presentation relating to at least one of a balance sheet and an earnings per share metric.

5. (Previously Presented) The method of claim 1, wherein the iterations and calculations are carried out at least in part using a Monte Carlo simulation.

6. (Previously Presented) The method of claim 1, wherein the calculated earnings per share values and the calculated earnings per share risk values are plotted against one another.

7. (Original) The method of claim 6, wherein the plot of calculated earnings per share values versus calculated earnings per share risk values is credit adjusted.

8. (Original) The method of claim 1, wherein the economically reasonable analysis in light of market conditions takes into account a conversion premium associated with the

convertible security.

9. (Currently Amended) A method implemented by a programmed computer system for characterizing earnings of an entity, ~~which method comprises the steps of~~ comprising:

obtaining, at the computer system, data associated with the entity including a number of existing shares, a value of earnings, a value of an equity dividend, a value of an attributed after-tax interest expense from a convertible security, and a number of attributed shares from the convertible security, which number of attributed shares reflects the possibility, based upon an economically reasonable analysis in light of market conditions including a value of a stock price associated with the entity, of conversion of the convertible security;

iteratively calculating, with the computer system, a plurality of values of earnings per share associated with the entity based upon the obtained data, wherein each value of earnings per share is calculated at least in part using the formula:

$$EPS = dividend\ per\ share + retained\ EPS;$$

wherein dividend per share = the value of the equity dividend / the number of existing shares; and

wherein retained EPS = (earnings without taking effect of any interest expense from the convertible security minus attributed after-tax interest expense from the convertible security) / (the number of existing shares plus the number of attributed shares from the convertible security);

iteratively calculating, with the computer system, a plurality of values of earnings per share risk associated with the entity, wherein the values of earnings per share risk are based upon at least a plurality of different numbers of shares outstanding and an amount of earnings volatility; and

recording, with the computer system, the calculated earnings per share values associated with the entity and the calculated earnings per share risk values associated with the entity; and

outputting, with the computer system, the recorded calculated earnings per share values associated with the entity and the recorded calculated earnings per share risk values

associated with the entity;

wherein the iterative calculating the plurality of values of earnings per share is carried out by iteratively changing at least the value of the stock price associated with the entity.

10. (Cancelled)

11. (Original) The method of claim 9, wherein the entity is a public corporation.

12. (Original) The method of claim 11, wherein at least one of the calculated earnings per share values and the calculated earnings per share risk values is applied to a financial presentation relating to at least one of a balance sheet and an earnings per share metric.

13. (Previously Presented) The method of claim 9, wherein the iterations and calculations are carried out at least in part using a Monte Carlo simulation.

14. (Previously Presented) The method of claim 9, wherein the calculated earnings per share values and the calculated earnings per share risk values are plotted against one another.

15. (Original) The method of claim 14, wherein the plot of calculated earnings per share values versus calculated earnings per share risk values is credit adjusted.

16. (Original) The method of claim 9, wherein the economically reasonable analysis in light of market conditions takes into account a conversion premium associated with the convertible security.